



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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February 10, 1993

Mr. John M. Badger
Attorney at Law
750 South Coors Court
Lakewood, Colorado 80228

Dear Mr. Badger:

Re: Completion of Permit Transfer, Tenneco Minerals Company - Utah,
Goldstrike Mine, M/053/005, Washington County, Utah

I have prepared this letter in response to our February 8th telephone conversation (and your subsequent telefaxed confirmation). I hope it will assist you in finalizing the permit transfer between Tenneco Minerals Company and Tenneco Minerals Company - Utah (TMC - Utah). You informed me that TMC - Utah's surety (Aetna Casualty & Surety Company), has decided to prepare a new surety bond form to replace the existing bond.

I prepared a draft response to your request and subsequently met with our legal counsel to discuss the proposal before sending it to you. Instead of inserting replacement pages into the existing Reclamation Contract, we are requesting that TMC-Utah and Aetna Casualty & Surety Company (AETNA) complete a new and updated Reclamation Contract (FORM MR-RC).

Because the content (i.e., legal description of disturbed acres) of the Reclamation Contract and Surety bond is changing, the Board of Oil, Gas and Mining *will* need to approve of the changes. A new contract agreement will be the simplest means of handling this action.

The following information is enclosed to assist you in preparing the necessary documents:

1. One clean copy of the *changes* made by the Division to the existing Reclamation Contract (pages 1 of 9, 2 of 9, and 9 of 9).

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Mr. John Badger
M/053/005
February 10, 1993

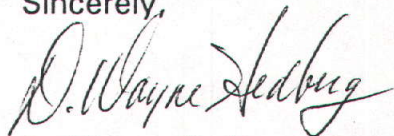
2. One clean copy of the *changes* made by the Division to the existing surety bond (MR FORM-6, Pages 1 & 5).
3. One copy of the *existing* Reclamation Contract form (FORM MR-RC).
4. One *blank* copy of our Reclamation Contract form (FORM MR-RC).
5. One copy of the *existing* surety bond form (Exhibit B, MR FORM-6).
6. One *blank* copy of our surety bond form (Exhibit B, MR FORM-6).

Please review the enclosed information for accuracy on behalf of TMC-Utah. Please fill out the new Reclamation Contract form with the updated information, then forward to TMC-Utah for their signature. AETNA should then receive the documents for signature and attachment of the replacement surety bond.

Please have AETNA return all of the signed documents to this office. Upon our receipt, we will review them for completeness. Once complete, a presentation to the Board of Oil, Gas & Mining will be made at the next scheduled hearing. Following the Board's approval, the old surety bond will be returned to AETNA.

Completion of these transactions will enable the Division to finalize and formally approve of the permit transfer. A complete copy of all of the final signed documents will be forwarded to TMC - Utah after we receive/accept the required information. Thank you for your patience and assistance. Please call me if you have further questions in this regard.

Sincerely,



D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb

Attachments

cc: Jim Smith, Goldstrike Mine
Larry Gore, BLM, Dixie RA
Lowell Braxton, DOGM

M053005.trn

blind cc: Tom Mitchell, AAG